

## INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We make Indiana a cleaner, healthier place to live.

Frank O'Bannon Governor

Lori F. Kaplan Commissioner 100 North Senate Avenue
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# Phase II Acid Rain Permit

#### INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Source: A.B. Brown Generating Station

Address: West Franklin Road & Welborn Road, West Franklin, IN 47620

Owned by: Southern Indiana Gas & Electric Company Operated by: Southern Indiana Gas & Electric Company

ORIS Code: 6137

This permit is issued to the above operator under the provisions of 326 Indiana Administrative Code (IAC) 21 and 40 Code of Federal Regulations (CFR) 72, 40 CFR 75 through 40 CFR 78 and 58 Federal Register (FR) 3590, with conditions listed on the attached pages.

Operation Permit No.: AR 129-5153-00010	
Issued by:	Issuance Date: December 31, 1997
Felicia R. George, Assistant Commissioner Office of Air Management	Expiration Date:

Revised Operation Permit No.: AAR 129-10331-00010 Pages Affected: All

Revised Operation Permit No.: AR 129-14441-00010	Pages Affected: All
Issued by: Original signed by Janet G. McCabe	Issuance Date: November 19, 2001
Janet G. McCabe, Assistant Commissioner Office of Air Quality	Expiration Date: December 31, 2004

Permit Reviewer: Robert Ondrusek

## Section E Title IV Acid Rain

326 IAC 21 and 40 CFR 72, 40 CFR 75 through 40 CFR 78, and 58 FR 3590

#### Title IV Source:

(a) One (1) pulverized coal-fired dry bottom 2518 mmBtu/hr boiler, designated as ABB Unit No. 1, with sulfur dioxide emissions controlled by dual alkali type Flue Gas Desulfurization system.

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- (b) One (1) pulverized coal-fired dry bottom 2530 mmBtu/hr boiler, designated as ABB Unit No. 2, with sulfur dioxide emissions controlled by dual alkali type Flue Gas Desulfurization system.
- (c) One (1) existing simple-cycle, natural gas-fired combustion turbine, designated as ABB CT No. 3, with a maximum heat input capacity of 1110.9 mmBtu/hr (higher heating value (HHV) with natural gas fuel condition), a maximum output of 109 MW, and a nominal output of 80 MW, utilizing No. 2 distillate oil as a back-up fuel source (maximum heat input capacity of 1195.2 mmBtu/hr at HHV condition). NO<sub>x</sub> emissions are controlled by dual fuel dry low-NOx (DLN) combustors, with steam injection for additional NOx reduction when firing distillate oil. Inlet fogging and steam augmentation may be used to enhance power production.
- (d) One (1) General Electric natural gas-fired combustion turbine generator in simple cycle mode type MS7001, model PG7121 EA, designated as ABB Unit No. 4, with a maximum heat input capacity of 1145.8 mmBtu/hr, maximum output of 109 MW and a nominal output of 80 MW, exhausting to stacks designated as #4. The power output will be augmented using inlet fogging during high ambient temperature conditions. The nitrogen oxide emissions are controlled by dry low-NO<sub>x</sub> combustors.

## E.1.1 Statutory and Regulatory Authorities

In accordance with IC 13-17-3-4, IC 13-17-3-11, IC 13-17-8-1, and IC 13-17-8-2 as well as Titles IV and V of the Clean Air Act, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) issues this permit pursuant to 326 IAC 2 and 326 IAC 21 (incorporates by reference 40 CFR 72 through 78).

#### E.1.2 Standard Permit Requirements [326 IAC 21]

- (a) The designated representative has submitted a complete Acid Rain permit application in accordance with the deadlines in 40 CFR 72.30.
- (b) The owners and operators of each affected source and each affected unit shall operate the unit in compliance with this Acid Rain permit.

#### E.1.3 Monitoring Requirements [326 IAC 21]

- (a) The owners and operators and, to the extent applicable, the designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR 75.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (c) The requirements of 40 CFR 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

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#### E.1.4 Sulfur Dioxide Requirements [326 IAC 21]

- (a) The owners and operators of each source and each affected unit at the source shall:
  - (1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 72.2), in the unit's compliance subaccount, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and,
  - (2) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (b) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.
- (c) An affected unit shall be subject to the requirements under paragraph (a) of the sulfur dioxide requirements as follows:
  - (1) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or,
  - (2) Starting on the latter of January 1, 2000 or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).
- (d) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (e) An allowance shall not be deducted in order to comply with the requirements under paragraph (a)(1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (f) An allowance allocated by the U.S. EPA under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, the Acid Rain portion of an operating permit, or the written exemption under 40 CFR 72.7 and 72.8 and 326 IAC 21, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (g) An allowance allocated by U.S. EPA under the Acid Rain Program does not constitute a property right.
- (h) No permit revision may be required for increases in emissions that are authorized by allowances acquired pursuant to the Acid Rain Program, provided that the increases do not require a permit revision under any other applicable requirement. [326 IAC 2-7-5(4)(A)].
- (i) No limit shall be placed on the number of allowances held by an affected source. An affected source may not, however, use allowances as a defense to noncompliance with any applicable requirement other than the requirements of the Acid Rain Program. [326 IAC 2-7-5(4)(B)]
- (j) Sulfur dioxide allowances shall be allocated to each unit at the source as follows:

SO <sub>2</sub> Allow	ance Alloca	tions for ABI	B Unit No. 1		
year	2000	2001	2002	2003	2004
Tons	5,358*	5,358*	5,358*	5,358*	5,358*

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 SO<sub>2</sub> Allowance Allocations for ABB Unit No. 2

 year
 2000
 2001
 2002
 2003
 2004

 tons
 4,530\*
 4,530\*
 4,530\*
 4,530\*
 4,530\*

SO <sub>2</sub> Allow	ance Alloca	tions for ABE	3 CT No. 3		
year	2000	2001	2002	2003	2004
Tons	639*	639*	639*	639*	639*

SO <sub>2</sub> Allow	ance Alloca	tions for ABE	3 CT No. 4		
year	2000	2001	2002	2003	2004
Tons	NA**	NA**	NA**	NA**	NA**

<sup>\*</sup> The number of allowances actually held by an affected source in a unit account may differ from the number allocated by U.S. EPA. Allowance allocations to, transfer to, and deductions from an affected unit's Allowance Tracking System account do not require a revision to the SO<sub>2</sub> allowance allocation(s) identified in this permit. (See 40 CFR 72.84).

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NA\*\* ABB Unit No. 4 has no sulfur dioxide (SO<sub>2</sub>) allowance allocations from U.S. EPA. The allowances shall be obtained from other units to account for the SO<sub>2</sub> emissions from these units as required by 40 CFR 72.9(c).

#### E.1.5 Nitrogen Oxides Requirements [326 IAC 21]

- (a) The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides (NO<sub>x</sub>).
- (b) NO<sub>x</sub> Early Election Compliance Plan for ABB Unit No. 1:
  - (1) Pursuant to 40 CFR 76.8(d)(2), the Indiana Department of Environmental Management, Office of Air Quality approves a NO<sub>x</sub> early election compliance plan for ABB Unit No. 1. The compliance plan is effective for calendar year 2000 through calendar year 2007. Under the compliance plan, this unit's annual average NO<sub>x</sub> emission rate for each year, determined in accordance with 40 CFR part 75, shall not exceed the applicable emission limitation, under 40 CFR 76.5(a)(2), of 0.50 lb/mmBtu for dry bottom wall-fired boilers. If the unit is in compliance with its applicable emission limitation for each year of the plan, then the unit shall not be subject to the applicable emission limitation, under 40 CFR 76.7(a)(2), of 0.46 lb/mmBtu, until calendar year 2008.
  - (2) In addition to the described  $NO_x$  compliance plan, the units shall comply with all other applicable requirements of 40 CFR part 76, including the duty to reapply for a  $NO_x$  compliance plan and requirements covering excess emissions.
- (c) NO<sub>x</sub> Early Election Compliance Plan for ABB Unit No. 2:
  - (1) Pursuant to 40 CFR 76.8(d)(2), the Indiana Department of Environmental Management, Office of Air Quality approves a  $NO_X$  early election compliance plan for ABB Unit No. 2. The compliance plan is effective for calendar year 2000 through calendar year 2007. Under the compliance plan, this unit's annual average  $NO_X$  emission rate for each year, determined in accordance with 40 CFR part 75, shall not exceed the applicable emission limitation, under 40 CFR 76.5(a)(2), of 0.50 lb/mmBtu for dry bottom wall-fired boilers. If

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oplicable emission limitation for each year of the plan,

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the unit is in compliance with its applicable emission limitation for each year of the plan, then the unit shall not be subject to the applicable emission limitation, under 40 CFR 76.7(a)(2), of 0.46 lb/mmBtu, until calendar year 2008.

- (2) In addition to the described NO<sub>X</sub> compliance plan, the units shall comply with all other applicable requirements of 40 CFR part 76, including the duty to reapply for a NO<sub>X</sub> compliance plan and requirements covering excess emissions.
- (d) The gas fired turbines ABB Unit No. 3 and ABB Unit No. 4 are not subject to Nitrogen Oxides Limitation Requirements.

#### E.1.6 Excess Emissions Requirements [40 CFR 77] [326 IAC 21]

- (a) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan to U.S. EPA and IDEM, OAQ as required under 40 CFR 77 and 326 IAC 21.
- (b) The designated representative shall submit required information to:

Indiana Department of Environmental Management Air Compliance Section I, Office of Air Quality 100 North Senate Avenue, P.O. Box 6015 Indianapolis, Indiana 46206-6015

and

Ms. Cecilia Mijares Air and Radiation Division U.S. Environmental Protection Agency, Region V 77 West Jackson Boulevard Chicago, IL 60604-3590

and

U.S. Environmental Protection Agency Clean Air Markets Division 1200 Pennsylvania Avenue, NW Mail Code (6204N) Washington, DC 20460

- (c) The owners and operators of an affected unit that has excess emissions in any calendar year shall:
  - (1) Pay to U.S. EPA without demand the penalty required, and pay to U.S. EPA upon demand the interest on that penalty, as required by 40 CFR 77 and 326 IAC 21; and.
  - (2) Comply with the terms of an approved sulfur dioxide offset plan, as required by 40 CFR 77 and 326 IAC 21.

#### E.1.7 Record Keeping and Reporting Requirements [326 IAC 21]

- (a) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by U.S. EPA or IDEM, OAQ:
  - (1) the certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth

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of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative:

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- (2) all emissions monitoring information collected shall be retained on site for 3 years in accordance with 40 CFR 75.54;
- copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
- (4) copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (b) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72.90 subpart I, 40 CFR 75, and 326 IAC 21.

#### E.1.8 Submissions [326 IAC 21]

- (a) The designated representative shall submit a certificate of representation, and any superseding certificate of representation, to U.S. EPA and IDEM, OAQ in accordance with 40 CFR 72 and 326 IAC 21.
- (b) The designated representative shall submit required information to:

Indiana Department of Environmental Management Permit Administration Section, Office of Air Quality 100 North Senate Avenue, P.O. Box 6015 Indianapolis, Indiana 46206-6015

and

U.S. Environmental Protection Agency Clean Air Markets Division 1200 Pennsylvania Avenue, NW Mail Code (6204N) Washington, DC 20460

- (c) Each submission under the Acid Rain Program shall be submitted, signed and certified by the designated representative for all sources on behalf of which the submission is made.
- (d) In each submission under the Acid Rain Program, the designated representative shall certify, by his or her signature. The following statements shall be included verbatim in the submission:
  - (1) "I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made."; and,
  - (2) "I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information

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or omitting required statements and information, including the possibility of fine or imprisonment."

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- (e) The designated representative of a source shall serve notice on each owner and operator of the source and of an affected unit at the source:
  - (1) By the date of submission, of any Acid Rain Program submissions by the designated representative;
  - (2) Within 10 business days of receipt of any written determination by U.S. EPA or IDEM, OAQ; and.
  - (3) Provided that the submission or determination covers the source or the unit.
- (f) The designated representative of a source shall provide each owner and operator of an affected unit at the source a copy of any submission or determination under condition (e) of this section, unless the owner or operator expressly waives the right to receive a copy.

#### E.1.9 Severability [326 IAC 21]

Invalidation of the Acid Rain portion of an operating permit does not affect the continuing validity of the rest of the operating permit, nor will invalidation of any other portion of the operating permit affect the continuing validity of the Acid Rain portion of the permit. [40 CFR 72.72(b), 326 IAC 21, and 326 IAC 2-7-5(5)]

#### E.1.10 Liability [326 IAC 21]

- (a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, an Acid Rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to Section 113(c) of the Clean Air Act and shall be subject to enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-3.
- (b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement by U.S. EPA pursuant to Section 113(c) of the Clean Air Act and 18 U.S.C. 1001 and shall be subject to criminal enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.
- (c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (d) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (e) Any provision of the Acid Rain Program that applies to an affected source, including a provision applicable to the designated representative of an affected source, shall also apply to the owners and operators of such source and of the affected units at the source.
- (f) Any provision of the Acid Rain Program that applies to an affected unit, including a provision applicable to the designated representative of an affected unit, shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO<sub>X</sub> averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators

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or the designated representative.

(g) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Clean Air Act.

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#### E.1.11 Effect on Other Authorities [326 IAC 21]

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, an Acid Rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (a) Except as expressly provided in Title IV of the Clean Air Act (42 U.S.C. 7651 to 7651(o)), exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (b) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Clean Air Act;
- (c) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law:
- (d) Modifying the Federal Power Act (16 U.S.C. 791(a) et seq.) or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (e) Interfering with or impairing any program for competitive bidding for power supply in a state in which such a program is established.

# EPA

# **Phase II Permit Application**

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For more information	ı, see instructions	and refer to 40	) CFR 72.30 and 72.3	1
For more information	ı, see instructions	and refer to 40	) CFR 72.30 and 72.3	

This submission is: New Revised

P 1 tify the source by t name, State, and S code.

Southern Indiana Gas & Electric Company — A. B. Brown Generating Station	IN State	6137 ORIS Code
Plant Name		

	Comp Pi	oliance an		
	<u> </u>			
a	b	С	d	e
Unit ID#	Unit Will Hold Allow- ances in Accordance	Repowering Plan	New Units	New Units
	with 40 CFR 72.9(c)(1)		Commence Operation Date	Monitor Certification Deadline

EP 2
ter the unit ID#
each affected
it, and indicate
ether a unit is
ng repowered
i the repowering
in being renewed
entering "yes" or
" at column c. For
w units, enter the
juested information
columns d and e.

ABB Unit No. 1	Yes	No	N/A	N/A
ABB Unit No. 2	Yes	No	N/A	N/A
ABB Unit No. 3	Yes	No	N/A	N/A
ABB Unit No. 4	Yes	No	June 1, 2002	December 1, 2002
	Yes			

P 3 :k the box if the onse in column c ep 2 is "Yes" ny unit.

For each unit that is being repowered, the Repowering Extension Plan form is included.

RECEIVED

AUG 2 0 2001

Southern Indiana Gas & Electric Company A. B. Brown Generation Station Plant Name (from Step 1)

STEP 4 Read the standard requirements and certification, enter the name of the designated repre-sentative, and sign and date

#### Standard Requirements

#### Permit Requirements

(1) The designated representative of each affected source and each affected unit at the source shall:
(i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
(ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit; in order to review and operators of each affected source and each affected unit at the source shall:
(ii) Operate the unit in compliance with a complete Acid Rain permit application or a supersection Acid Rain

(i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and (ii) Have an Acid Rain Permit.

#### Monitoring Requirements.

(1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.
(2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
(3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

the Act and other provisions of the operating permit for the source.

#### Sulfur Dioxide Requirements.

(1) The owners and operators of each source and each affected unit at the source shall:
(i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and

(ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.

Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall

(3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:

(i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
(ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).

affected unit under 40 CFR 72.6(a)(3).

(4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.

(5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.

(6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7, 72.8, or 72.14 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.

(7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements. The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

#### Excess Emissions Requirements.

(1) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.

(2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:

ine owners and operators of an anected unit maches excess emissions in any calcitudity sensition.

(i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and

(ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

### Recordkeeping and Reporting Requirements.

(1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority

(i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative; certificate or representation changing the designated representative; (ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply. (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and, (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under

under the Acid Rain Program; and,
(iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program. The designated representative of an affected source and each affected unit at the source shall submit the

reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Southern Indiana Gas & Electric Company — A.B. Brown Generating Station	Phase II Permit - Page
Plant Name (from Step 1)	

#### Liability.

- (1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7, 72.8, or 72.14, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to
- me Act.

  (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.

  (3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.

  (4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.

  (5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the ourses and coemters of such course.

the designated representative of an affected source) shall also apply to the owners and operators of such source

and of the affected units at the source.

and of the affected units at the source.

(6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO, averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (Including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative

(7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of

Effect on Other Authorities. No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7, 72.8, or 72.14 shall be construed as:

- (1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality
- provision or the Act, including the provisions or title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

  (2) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;

  (3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law.
- (4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

#### Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the prescribility of fine or impresonment. including the possibility of fine or imprisonment.

Name Ronald G. Jochum	
Name Ronald G. Jochum	
Signature Ronald & Jochn	Date August 15, 2001
Signature 770 Court	



# **Certificate of Representation**

Page 1

	This submission is: New Revised (revise This submission includes combustion or process so			d in full; see instructi
TEP 1 lentify the source by lant name, State, and RIS code.	Plant Name Southern Indiana Gas & Electric Company Generating Station	v — А. В. Brown	State IN	ORIS Code 6137
TEP 2 nter requested Iformation for the esignated presentative.	R. G. Jochum Name Address 20. N. W. Fourth Street, P.O. Box 569, Evans	ville, IN, 47747-000	1	
	812.491.4769 Phone Number	812.491.468 Fax Number	84	
			34	
TEP 3 nter requested iformation for the ternate designated	Phone Number		34	

STEP 4
Complete Step 5, read the certifications, and sign and date. For a designated representative of a combustion or process source under 40 CFR part 74, the references in the certifications to "affected unit" or "affected units" also apply to the combustion or process source under 40 CFR part 74 and the references to "affected source" also apply to the source at which the combustion or process source is located.

I certify that I was selected as the designated representative or alternate designated representative, as applicable, by an agreement binding on the owners and operators of the affected source and each affected unit at the source.

I certify that I have given notice of the agreement, selecting me as the 'designated representative' for the affected source and each affected unit at the source identified in this certificate of representation, in a newspaper of general circulation in the area where the source is located or in a State publication designed to give general public notice.

I certify that I have all necessary authority to carry out my duties and responsibilities under the Acid Rain Program on behalf of the owners and operators of the affected source and of each affected unit at the source and that each such owner and operator shall be fully bound by my actions, inactions, or submissions.

I certify that I shall abide by any fiduciary responsibilities imposed by the agreement by which I was selected as designated representative or alternate designated representative, as applicable.

I certify that the owners and operators of the affected source and of each affected unit at the source shall be bound by any order issued to me by the Administrator, the permitting authority, or a court regarding the source or unit

Certificate - Page 2 Plant Name (from Step 1) Southern Indiana Gas & Electric Company — A. B. Brown Generating Station Page of I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment. ochu ronal Signature (designated representative) Date August 15, 2001 Date Signature (alternate designated representative) Southern Indiana Gas & Electric Company ✓ Owner Operator Name ID# ABB Unit ID# ABB Unit ID# ABB Unit ID# ABB No. 2 No. 3 Unit No. 4 No. 1 ID# 1D# ID# ID# ID# ID# ID# ID# ID# ID# Owner Operator Name 1D# ID# ID# ID# ID# ID# ID# ID# 1D# ID# ID# ID# ID# ID# Operator Owner Name ID# 1D# Operator Owner Name ID# 1D# ID# ID# ID# ID#

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STEP 5 Provide the name of

and identify each

affected unit (or

every owner and operator of the source

combustion or process source) they own and/or operate.

Where there are multiple holders of a legal or equitable title to, or a leasehold interest in, an affected unit, or where a utility or industrial customer purchases power from an affected unit under life-of-the-unit, firm power contractual arrangements, I certify that:

I have given a written notice of my selection as the designated representative or alternate designated representative, as applicable, and of the agreement by which I was selected to each owner and operator of the affected source and of each affected unit at the source; and

Allowances and the proceeds of transactions involving allowances will be deemed to be held or distributed in proportion to each holder's legal, equitable, leasehold, or contractual reservation or entitlement or, if such multiple holders have expressly provided for a different distribution of allowances by contract, that allowances and the proceeds of transactions involving allowances will be deemed to be held or distributed in accordance with the contract.

The agreement by which I was selected as the alternate designated representative, if applicable, includes a procedure for the owners and operators of the source and affected units at the source to authorize the alternate designated representative to act in lieu of the designated representative.

# Indiana Department of Environmental Management Office of Air Quality

# Technical Support Document (TSD) An Acid Rain Phase II Permit

Source: A. B. Brown Generating Station

Location: West Franklin Road & Welborn Road, West Franklin, Indiana 47620

Owned by: Southern Indiana Gas & Electric Company Operated by: Southern Indiana Gas & Electric Company

ORIS Code: 6137

Acid Rain Permit No.: AR 129-14441-00010 Reviewer: Robert Ondrusek

The Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) has reviewed the Southern Indiana Gas & Electric Company application for a Phase II Permit modification. The application is for the operation of the turbine generator AB CT4 to be constructed at a site located at West Franklin Road & Welborn Road, West Franklin, Indiana.

On December 30, 1998, the Office of Air Management (OAM) had a notice published in the Mount Vernon Democrat, Mount Vernon, Indiana, stating that an Acid Rain operation permit AR 129-5153-00010 for A. B. Brown Generating Station, Units 6137-1, 6137-2, and 6137-XX4, that was issued on December 31, 1997, would be replaced by operation permit AAR 129-10331-00010.

Permit AR 129-14441-00010 will replace permit AAR 129-10331-00010. The permit will add the new natural gas-fired combustion turbine generator (ABB CT No. 4). In addition, it will change the identification for dry bottom wall-fired boiler unit 6137-1, dry bottom wall-fired boiler 6137-2, and gas fired turbine 6137-XX4 to ABB CT No. 1, ABB CT No. 2, and ABB CT No. 3, respectively in the current permit AAR 129-10331-00010. A Significant Source Modification draft to add the natural gas-fired turbine generator AB CT4 will be placed on public notice at the same time as the public notice for this draft Phase II permit. The Significant Source Modification has the number 129-14021-00010.

The goal of the 1990 Clean Air Act Amendments, Acid Rain Program is to reduce the impact of man-made emissions of sulfur dioxide ( $SO_2$ ) and nitrogen oxide ( $NO_X$ ) on lakes, streams, forests, crops and, most important, the health of the public, by a nationwide  $SO_2$  allocation of emissions from power plants. While it may not seem to be a local problem, the information collected shows a need for this reduction. This is because these emissions can be transported great distances. Results of the  $SO_2$  and  $NO_X$  program, along with past, present, and future plans, can be found on the Internet at <a href="http://www.epa.gov/airmarkets/">http://www.epa.gov/airmarkets/</a>. Additional information in the form of maps showing the results of the  $SO_2$  and  $NO_X$  limitations can be found on the Internet at <a href="http://nadp.sws.uiuc.edu/">http://nadp.sws.uiuc.edu/</a>.

#### Title IV Source:

- (a) One (1) pulverized coal-fired dry bottom 2518 mmBtu/hr boiler, designated as ABB Unit No.
   1, with sulfur dioxide emissions controlled by dual alkali type Flue Gas Desulfurization system.
- (b) One (1) pulverized coal-fired dry bottom 2530 mmBtu/hr boiler, designated as ABB Unit No.
   2, with sulfur dioxide emissions controlled by dual alkali type Flue Gas Desulfurization system.
- (c) One (1) existing simple-cycle, natural gas-fired combustion turbine, designated as ABB Unit No. 3, with a maximum heat input capacity of 1110.9 mmBtu/hr (higher heating value (HHV) with natural gas fuel condition), a maximum output of 109 MW, and a nominal output of 80 MW, utilizing No. 2 distillate oil as a back-up fuel source (maximum heat input capacity of 1195.2 mmBtu/hr at HHV condition). NO<sub>X</sub> emissions are controlled by dual fuel dry low-NO<sub>X</sub> (DLN) combustors, with steam injection for additional NOx reduction when firing distillate oil. Inlet fogging and steam augmentation may be used to enhance power production.
- (d) One (1) General Electric natural gas-fired combustion turbine generator in simple cycle mode type MS7001, model PG7121 EA, designated as ABB Unit No. 4, with a maximum heat input capacity of 1145.8 mmBtu/hr, maximum output of 109 MW and a nominal output of 80 MW, exhausting to stacks designated as #4. The power output will be augmented using inlet fogging during high ambient temperature conditions. The nitrogen oxide emissions are controlled by dry low-NO<sub>x</sub> combustors.

#### Federal Rules

The emission allowances and conditions in this draft Phase II permit were taken from the limits developed by the U.S. EPA for the Acid Rain Program pursuant to Title IV of the Clean Air Act, 42 United States Code 7401, as amended by Public Law 101-5049 (November 15, 1990). Parts 72 through 78 of Title 40 of the Code of Federal Regulations (CFR), 61 Federal Register (FR) 59142, 61 FR 67111, 61 FR 68821, and 62 FR 3463, apply to regulated power plants.

#### Indiana's Rules

Title 326 of the Indiana Administrative Code (IAC) Article 21, Acid Deposition Control, has adopted the federal rule by referencing 40 CFR 72 through 78, 61 FR 59142, 61 FR 67111, 61 FR 68821, and 62 FR 3463. The rule incorporates the requirements of Title IV, Clean Air Act Acid Rain Program, of the 1990 Clean Air Act.

#### Sulfur Dioxide Emission Allocations

The sulfur dioxide allowance allocation rule (40 CFR Part 73) was revised in August 1998. The nation wide allocated sulfur dioxide emissions are 9,480,000 tons per year for 2000 through 2009. The 2010 cap is projected to reduce sulfur dioxide emissions to 8,900,000 tons per year. No allocations were made for new sources. New regulated power plants have to obtain sulfur dioxide emission allocations by purchasing them from pre-existing power plants that have received U.S. EPA allocations. A regulated power plant may have emission allocations to sell because the plant purchased newer, less polluting, equipment. The U.S. EPA keeps track of the transfer of all sulfur dioxide emission allocations in an official accounting system.

The natural gas-fired combustion turbine generator, ABB CT No. 4, has no annual allocated sulfur dioxide emission allowances established in the Title IV Acid Rain Program. The unit will be required to seek sulfur dioxide emission allowances from other units, in order to account for all sulfur dioxide emissions, as required by 40 CFR 72.9(c).

The sulfur dioxide emissions from this unit will also be regulated by IDEM's Significant Source Modification (SSM) 129-14021-00010. A draft SSM for this source was placed on public notice at the same time as the public notice for this draft Phase II permit. The draft SSM has the number 129-14021-00010. Twelve months after a power plant begins operation it must file an application with IDEM to obtain a Part 70 operating permit.

### Nitrogen Oxide Limitations

Pursuant to 40 CFR 76, nitrogen oxide  $(NO_x)$  emission limitations are applicable only to coal-fired utility and coal-fired substitution units that are subject to Phase I and Phase II sulfur dioxide reduction requirements. This unit at the source will not burn coal as a fuel. The natural gas-fired combustion turbine generator, ABB CT No. 4, ABB, is not subject to Nitrogen Oxides Limitation Requirements. The nitrogen oxide emissions from this unit will also be regulated by IDEM's Significant Source Modification (SSM) 129-14021-00010. A draft SSM for this source was placed on public notice at the same time as the public notice for this draft Phase II permit. Twelve months after a power plant begins operation it must file an application with IDEM to obtain a Part 70 operating permit.

### **Emissions Monitoring Requirements**

The owners and operators and, to the extent applicable, the designated representative for the source must comply with the monitoring requirements set out in 40 CFR 75 and 72.9(b)(1) and (2). The source must measure and record it's emissions of sulfur dioxide. The source must report these measurements to IDEM and U.S. EPA. These records and reports are used to determine if the source is in compliance with the sulfur dioxide allocation program. The requirements of the Phase II permit do not affect the source's responsibility to monitor emissions of other pollutants or other emissions characteristics required by the Clean Air Act and other operating permit provisions. Monitoring requirements outlined in the source's Phase II permit application are considered as part of the Phase II permit. The source will have additional monitoring requirements, as set out by IDEM's Significant Source Modification (SSM). A draft SSM for this source was placed on public notice at the same time as the public notice for this draft Phase II permit. The draft SSM has the number 129-14021-00010. Twelve months after ABB CT No. 4 begins operation, it must file an application with IDEM to obtain a Part 70 operating permit.

## Other Record Keeping and Reporting Requirements

The source must keep copies of all reports and compliance certifications that it submits to demonstrate compliance with the requirements of the Phase II permit for five years. The source must submit the reports and compliance certifications required by the Phase II permit to the U.S. EPA and IDEM, OAQ. Record keeping and reporting requirements outlined in the Phase II application are considered part of the Phase II permit. The source will have additional record keeping and reporting requirements, as set out in IDEM's Significant Source Modification (SSM). A draft SSM for this source was placed on public notice at the same time as the public notice for this draft Phase II permit. The draft SSM has the number 129-14021-00010. Twelve months after ABB CT No. 4 begins operation, it must file an application with IDEM to obtain a Part 70 operating permit.

#### **Submissions**

The designated representative for each emissions unit must sign and certify every report or other submission required by the Phase II permit. The designated representative must include the following certification statement in every submission:

"I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

The designated representative must send each owner and operator of the source a notification regarding every submission. The designated representative must also notify each owner and operator of the source within 10 business days of the receipt of any written determination made by U.S. EPA or IDEM.

#### **Draft Phase II Permit**

Based on the information IDEM received from the proposed operator, IDEM has preliminarily determined that the proposed source meets the requirement of Indiana Code (IC) 13-17-3-4, IC 13-17-3-11, IC 13-17-8-1, and IC 13-17-8-2, as well as Title IV of the Clean Air Act. IDEM proposes this draft Phase II permit pursuant to 326 IAC 21. The proposed source would also be regulated by conditions in IDEM's Significant Source Modification (SSM). A draft SSM for this source was placed on public notice at the same time as the public notice for this draft Phase II permit. The draft SSM has the number 129-14021-00010. Twelve months after ABB CT No. 4 begins operation, it must file an application with IDEM to obtain a Part 70 operating permit.

#### Additional Information

Questions regarding the proposed Phase II permit can be directed to Robert Ondrusek at the Indiana Department Environmental Management (IDEM), Office of Air Quality (OAQ), 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana 46206-6015 or by telephone at (317) 233-4227 or toll free at 1-800-451-6027 extension 3-4227.

The source will be inspected by IDEM's compliance inspection staff. Persons seeking to obtain information regarding the source's compliance status or to report any potential violation of any permit condition should contact Wanda Stanfield at the Office of Air Quality (OAQ) address or by telephone at (317) 233-6864 or toll free at 1-800-451-6027 extension 3-6864.

Copies of the Code of Federal Regulations (CFR) and Federal Registers (FR) referenced in the permit may be obtained from:

Indiana Department of Environmental Management
Office of Air Quality
100 North Senate Avenue
P.O. Box 6015
Indianapolis, Indiana 46206-6015

or

The Government Printing Office Washington, D.C. 20402

or

on the Government Printing Office website at <a href="http://www.access.gpo.gov/nara/cfr/index.html">http://www.access.gpo.gov/nara/cfr/index.html</a>